



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

June 27, 2001

To: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: David E. Janssen
Chief Administrative Officer

Board of Supervisors

GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

STATE LEGISLATIVE UPDATE

L.A.O. Releases Overview of Budget Conference Committee Report

Yesterday, the Legislative Analyst's Office (LAO) released an overview of the Conference Committee version of the 2001-02 Budget Bill (See Attachment I). LAO reports the reserve to be \$2.2 billion which is higher than the Governor's May Revision by \$1.2 billion. In order to achieve the higher reserve, the Conference Committee made a number of assumptions that differed from those made by the Governor in May:

- Assumes \$290 million less in prior year Proposition 98 settle-up expenditures.
- Assumes \$316 million more in budget year revenues (including transfer of \$300 million from special funds to the general fund and elimination of the proposed \$65 million Manufacturers Investment Credit) which was partially offset by a \$100 million reduction in estate taxes due to Federal actions.
- Assumes \$587 million in reduced spending in K-12 education, higher education, resources and health services.

Status of County Interest Legislation

County-opposed AB 147 (Longville), which would give Sheriffs the sole and exclusive authority to ensure that the counties' equipment connecting to the California Law Enforcement Telecommunications System complies with all security requirements, passed on a vote of 66-0 after the Assembly concurred today in Senate amendments. AB 147 now goes to the Governor.

Each Supervisor
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We will continue to keep you advised.

DEJ:GK
RLM:md

c: Executive Officer, Board of Supervisors
 County Counsel
 All Department Heads
 Legislative Strategist
 Coalition of County Unions
 California Contract Cities Association
 Independent Cities Association
 League of California Cities
 City Managers Associations
 Buddy Program Participants